

Wiltshire Council

Environment Select Committee

Tuesday 14th March 2023

Housing – Allocation Review 2023

Executive summary

In January 2023 we commenced a review of the Council's current adopted allocation policy which confirms the way in which we let all social housing across Wiltshire, to ensure that people have homes that meet their needs, giving priority to those in greatest need and making best use of very limited social housing stock. The review will give the Council and its partners the opportunity to look at who is housed and why, what's working well and what needs to change. Following a formal three-month consultation in the Autumn we will look to implement a new policy during 2024 following full council approval.

The report also provides a brief update on the statistics and performance information on the current allocation system

Proposal

That the committee:

- a) decide if they would like to be involved in the review and development of a new Allocation policy
- b) consider setting up a task and finish group to work with Housing in the development of a revised allocations policy
- c) to note the most recent statistics for the allocation system

Reason for proposal

It is a legislative requirement for any Council to have a 'Choice Based Lettings system' to ensure a fair and transparent process in how social housing is allocated within its area. It was last fully reviewed in 2018 and is therefore due a full review which is being carried out this year (2023) and we would welcome the involvement from ESC in the development and review of this policy and to note the performance information within this report

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Housing – Allocation Review 2023

Purpose of report

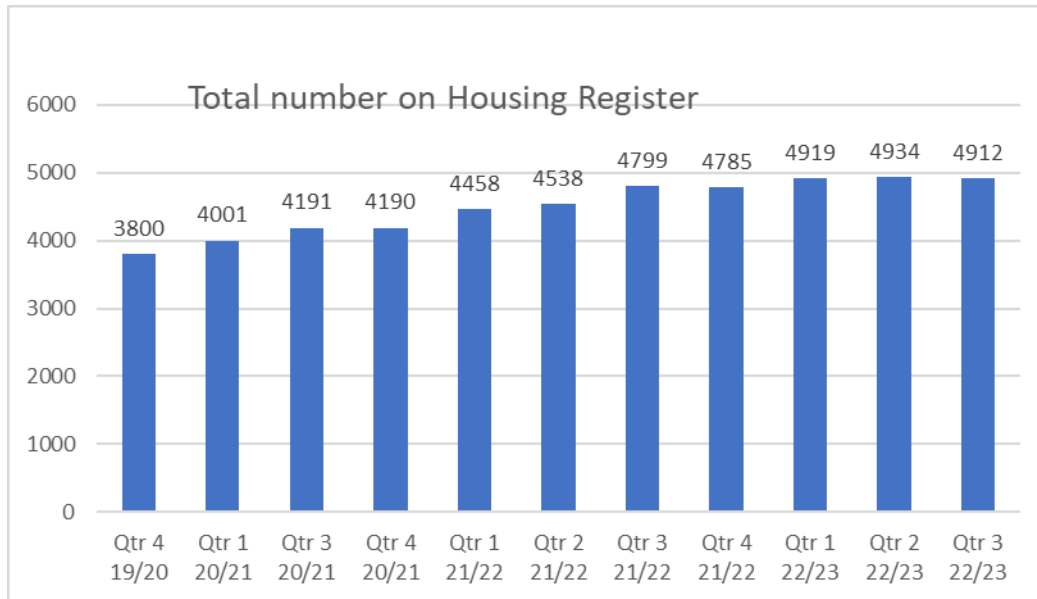
1. To provide an update to the ESC on the allocation system and invite the Environment Select Committee to consider its involvement in the review of the Councils adopted allocation policy, which was last fully reviewed in 2018 and is therefore due a full review which is being carried out this year (2023) and we would welcome the involvement from ESC in the development and review of this policy and to note the performance information within this report.

Background

2. The council's current allocation policy was adopted in 2018, with some minor changes made in Sept 2020, November 2021 and more recently in January 2023.
3. The scheme is called Homes4wiltshire and is a choice based lettings system that covers the Wiltshire Council area. The scheme is a legislative requirement to determine priorities and procedures for the allocation of social housing across Wiltshire Councils area, including:-
 - Eligibility and other qualifying criteria for registration
 - Property size criteria
 - How applicants housing need will be assessed
 - Banding structure that determines how housing applicants will be prioritised and homes will be allocated
4. The scheme allows all housing applicants a choice of accommodation along with the opportunity for them to express a preference about the type of accommodation they prefer.
5. Whilst all housing applicants are assessed in the same way, all housing providers have different criteria to let their homes and operate individual lettings policies. We work with these providers with a view to achieving some consistency in the overall approach for the allocation of properties
6. The objective of this review is to implement a revised Wiltshire Council allocation scheme that:
 - Is transparent and easy to understand
 - Houses those in greatest need
 - Gives realistic expectations about being housed for those who join the register
 - Makes best use of the councils limited stock
7. Key elements of the review will include areas such as:-
 - Should we retain local connection as a priority for re housing and what has been the impact of this policy.
 - Should we retain all four bands, increase, or decrease them.
 - Should we just have one medical band for re housing.

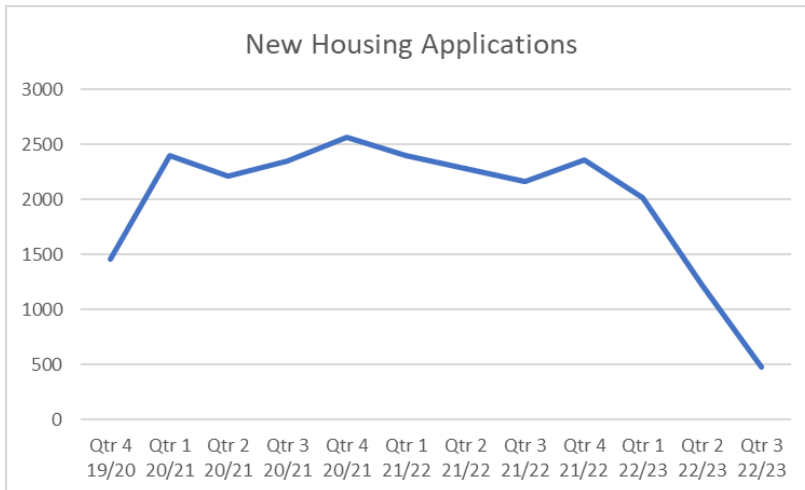
- Is sharing facilities a housing need.
 - Should we increase the financial affordability threshold.
 - Should we introduce a time limit for those awarded the highest band.
 - Should individuals who are homeless have choice or should we be placing bids for them once in temporary accommodation to facilitate a rapid move.
8. The review will also help to address some of the current issues that have been highlighted in recent performance meetings. During Covid we saw a significant increase in demand to join the register which has seen a steady increase in the total numbers on our housing register, which is consistent both nationally and regionally. Band 1 and Band 2 saw the biggest increases during this time and these related to those who became homeless and a duty accepted (Band 1), and those in relief of homelessness or those with an urgent medical or welfare need to move (Band 2).
 9. These increases related to the pressures of covid. Many households who were sharing facilities or sofa surfing were asked to leave or options exhausted due to the worry of the spread of covid, as well as urgent medical need to move to more suitable accommodation, including hospital discharge cases.
 10. However, with our change in structure and inability for clients to join on-line without first speaking with an advisor and removing those with no identified housing need from the OMR (Open Market Register) unless they expressed an interest in LCHO (Low Cost Home Ownership), we saw a minimal increase this year of just 2.4%, compared to a 38% growth across the last 3 years, we are also moving away from the previous pressures of Covid
 11. We have also got a backlog in annual housing application renewals which would normally lead to applications being closed down throughout the year. During covid this work was not carried out as was not considered a priority so we are now working through the back log to complete annual renewals. Most applications on the system now require an annual renewal and this work is now being picked up by staff recruited through the temporary bank, so households who can no longer be contacted, or have been inactive for the last few months have been and will be closed so this is also assisting with reducing the overall numbers on the register.
 12. Due to high demands into the service we are triaging all urgent calls and ensuring that those homeless today or given notice are fast tracked and prioritised for that day and other calls are logged for a call back within a couple of days.
 13. The steady increase in the numbers on the housing register can be shown in chart 1 below:-

Chart 1



14. Just before Covid we amended how we assessed those in the OMR, as we had previously just been accepting any client (those with no housing need) into OMR. This raised expectations to those clients in OMR as they assumed this could mean they may get an offer of accommodation when due to high demands and limited supply this wasn't the case. We therefore changed the OMR band to only be used for those who expressed an interest in LCHO, home buy, shared ownership and not for those who just had no housing need. This led to a reduction in the OMR of around 20% in the last 3 years and we anticipate this continuing to decline.
15. Earlier this year we removed the ability for customers to make on-line applications and now they need to speak with a housing caseworker to discuss their housing situation and options available to them before they are offered the opportunity to complete an on-line application, this saw a significant drop in the number of applications being received. We therefore anticipate a limited growth in the next few years of less than 10% due to the recent actions taken and also due to an allocation review taking place in the next 12 months.
16. Based on Chart 2 below which shows the total number of new housing applications received and considering the change in working practice we anticipate around 500 applications a quarter being received going forward

Chart 2



17. Due to the high increase in applications received this led to a back log in dealing with both online complete and incomplete applications as it has been extremely difficult to keep up with those demands when we were receiving nearly 2,500 applications each Quarter when historically this was around 1,000. We therefore have the following backlog that is being work through:-

- Total online complete = 3084
- Total online incomplete = 3313. Applications which were started on line but have not been completed by the applicant

All high priority, homeless or threatened with homeless cases have been dealt with so these are all low priority applications. We have just recruited a temporary member of staff who will work through these applications as many will now just need to be closed

18. To help better understand demands on the register, chart 3 below provides a breakdown of each band on the register and shows the % increase in the last 3 years and also in the last 12 months.

Chart 3 - Breakdown of Bands and increase in last three years

	Qtr 3 19/20	Qtr 3 22/23	Change in last 3 years	Qtr 3 21/22	Qtr 3 22/23	Change in last 12 months	Estimate increase in 23/24
Total	3,562	4,912	38%	4,799	4,912	2.4%	5,176 5.4%
Band 1	88	230	161%	126	230	82%	695 202%
Band 2	328	1,021	211%	798	1,021	28%	1221 19.6%
Band 3	1,250	1,757	41%	1,702	1,757	3%	1587 -9.7%
Band 4	1,044	1,221	17%	1,186	1,221	3%	1160 5%
OMR	852	683	-20	987	683	-31%	513 -25%

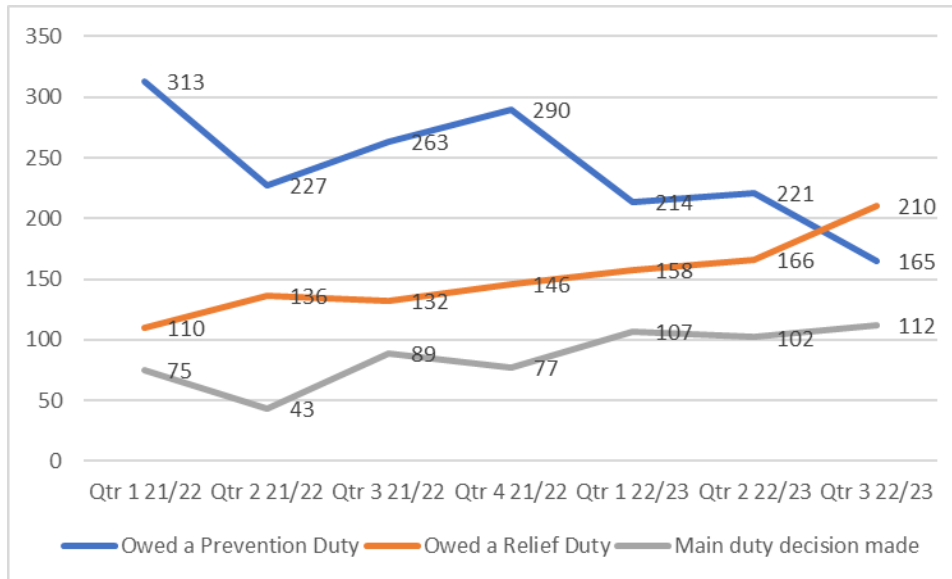
19. The biggest thing to notice is the increase in the last 12 months of over 82% in band 1 and this is an area of concern and noted on the corporate risk register. Although the number of applications in this band are much smaller this is our highest priority housing need which are often the most complex cases that require a significant amount of officer's time. On further analysis it has been confirmed that the increase is due to much higher numbers of statutory homeless applications. See Chart 4

Chart 4 - Breakdown of Band 1

Band 1	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Stat Homeless	73	94	100	102	111	121	114	117	124
Medical Emergency	41	47	48	45	45	49	45	53	56
Care Leavers	23	24	24	28	23	23	23	22	24
Stat Duties	2	3	3	3	3	8	8	15	17
Corporate Responsibility	3	4	5	5	5	5	3	3	3
Overcrowding (3 or more)	6	6	6	5	5	6	7	6	6
	148	178	186	188	192	212	200	216	230

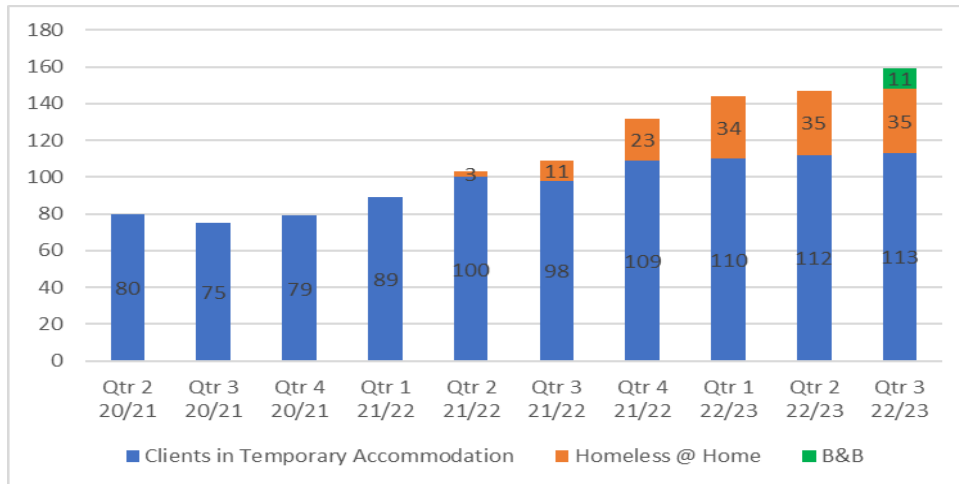
20. As you can see during the last year we have seen a 70% increase in those accepted as homeless and placed in Band 1. We have also seen a similar increase in Band 2s relief duty as in the last 12 months this increased by 71% from 125 applicants in April 22 to 213 applicants in Dec 22. Relief is the period when a client is homeless and lost the accommodation they were in but a full duty has not yet been accepted. Those accepted as homeless (main duty) is when a client has received an acceptance letter and a full statutory homeless duty applied.
21. Below is chart 5 which shows the amount of cases in which we have either owed a prevention duty, relief duty or main duty.

Chart 5



22. You can see that preventions are decreasing as work demands on staff are increasing in the relief and main duty areas of homeless work. In the last 12 months, preventions have decreased by 43%, with relief cases increasing by 44% and full duty by 45%.
23. Preventions have become harder as we are seeing huge demands on the private sector and increasing rental prices which are well above the LHA (Local Housing Allowance) which is making private rented unaffordable for those on benefits. We are also seeing less moves into social housing during the prevention stage as demands in the higher bands have significantly increased.
24. Due to these increasing demands we are seeing an increasing number in temporary accommodation – see chart 6. After a period of 10 years not having to use B&B, we had no alternative but to start using B&B in November 22 due to increasing homeless demands. Initially it was 3 single clients in B&B but this has now increased to 16 single clients in February 23
25. The three main causes of homelessness are:-
- being asked to leave by family and friends,
 - termination of assured shorthold tenancies and
 - relationship breakdowns with increasing numbers of Domestic Abuse.

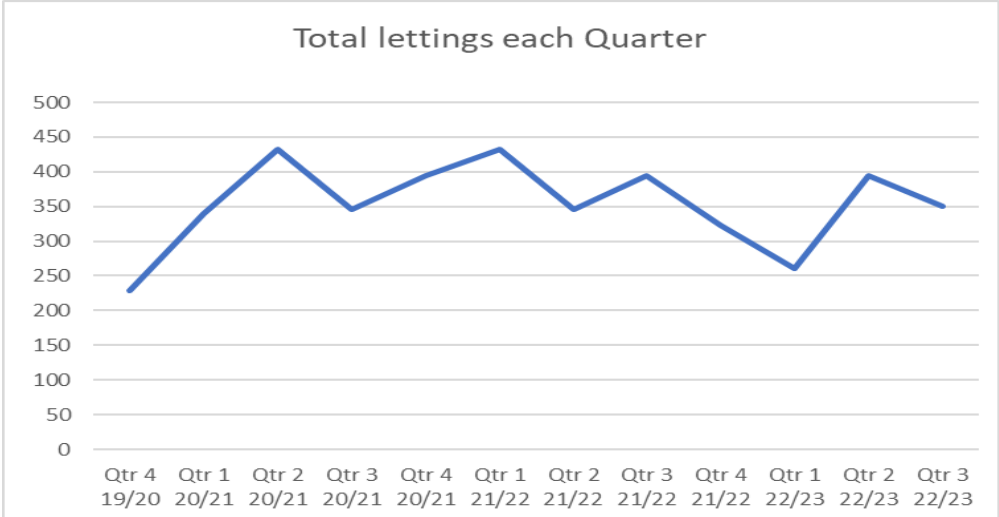
Chart 6



26. The average cost each week to place a single person in B&B is £490, so to continue with 16 placements it is costing £7,800 a week and £33,973 a month. This is currently being managed within budgets as the increasing demands have been recognised by government and additional funding was awarded to all local authorities to help manage these pressures
27. We have seen an increase in single applicants with extremely complex needs and the majority of our temporary accommodation is family accommodation and isn't ideal to use for single clients. We are currently looking at the options available to increase our temporary accommodation portfolio to better manage single clients. Of the 159 households in some form of temporary accommodation we have 36 (23%) who require 1 bed accommodation. 11 of these clients are currently in B&B. B&B use continues to increase as today we have 16 in B&B under our homelessness duties, all of which are single with no children.
28. So in the last 12 months we have seen a 46% increase in the total number of clients in some form of temporary accommodation. If the increase continues at this level we will see 232 clients in temporary accommodation within the next 12 months. We currently only have 100 units of temporary accommodation so this will leave 132 either homeless at home or in B&B. If 50% were in B&B, half singles and half families it would cost £172,900 a month to accommodate them
29. We are also noticing that clients are remaining in temporary accommodation for longer and this is due to a few reasons:-
- Clients have former rent arrears. Current calculations confirm that households in temporary accommodation at the moment have former rent arrears in excess of £75k so this means many households are not eligible to join the register
 - We have a high number of large families. In just 8 households they have 50 children between them. One household has 10 children alone, and large properties do not come up for letting that often.
 - Housing Providers are experiencing high voids. Wiltshire Council alone currently has 142 void properties which is causing a reduction in the amount of lets we are receiving

30. Chart 7 below confirms the total lettings we receive each quarter. As you can see in Qtr 1,2 and 3 in 2021/22 we had a total of 1,173 lettings and for the same period in 2022/23 it was only 1,005 which is 168 less properties.

Chart 7



31. Appendix One provides you with a breakdown of all the lettings that were made in 2022. Unlike the perception that all properties are let to clients who are homeless this confirms this is not the case. Only 19% of allocations went to clients in Band 1 of which 12% were statutory homeless. 47% went to Band 2 of which 11% were from the homeless relief band. 26% lets were made to Band 3 and 7% to Band 4 with less than 1% to those in the OMR.

32. I have also broken down the lets for the whole of 2022 by bed size. As you can see in the last 12 months we have only had 17 x 4 bed+ houses put forward for letting which has had an impact on some of our larger families in temporary accommodation due to very few larger homes coming forward.

	Bedsit	1 bed	2 bed	3 bed	4 bed	5 bed	Total
Bungalow		68	127				195
Flat - GF		139	72				211
Flat - 1F		172	92	1			264
Flat - 2F		46	63				109
Flat - 3F		1					1
House		4	257	199	16	1	477
Maisonette - GF		10	10				20
Maisonette - 1F		9	6	3			18
Maisonette - 2F			4				4
Studio GF	14						14
Studio 1F	15						15
Studio 2F	2						2
Total	31	449	631	203	16	1	1332

33. The allocation policy review will be looking at all this data to help inform recommendations for change

Main considerations for the committee

34. To consider the involvement the Environment Select Committee would like to have in the review and development of the Council Allocation Policy and to note the performance information within this report

Environmental impact of the proposal

35. The recommendations in this report will have no environmental impacts

Equality and diversity impact of the proposal

36. As the recommendation is to request involvement from ESC in the development and review of the Councils allocation policy the proposal has no equality and diversity impacts. An EIA will be developed as we proceed through the review and development of the allocation policy

Risk assessment

37. There is no risk in the proposal to involve the ESC in the development and review of the allocation policy or in acknowledging the performance information

Financial implications

38. There are no financial implications to the proposals in this report

Legal implications

39. There are no legal implications to the proposals in this report

Background papers

There are no background papers

Appendices

Appendix One – Lettings broken down by bands

Appendix One

Lets by Band and Category	Jan - Dec 22
	1332
Band 1	
Statutory homeless:	171
Statutory overcrowded / need 3 or more bedrooms:	0
Emergency Medical or Welfare Need:	41
Care Leavers:	35
Corporate Responsibility:	2
Statutory Duties:	9
	258
Band 2	
Under Occupying and suffering financial hardship - transfers only:	5
Move On:	121
Injured, sick or disabled serving or former Armed Forces personnel:	3
Urgent Medical, Welfare or Social Need:	352
Relief of homelessness duty:	147
	628
Band 3	
No Fixed Abode :	16
Insecurity of Tenure:	105
Prevention of homelessness duty:	0
Seriously overcrowded:	5
Welfare and Medical need:	202
Hardship:	5
Under Occupying in social housing:	12
Homelessness Duty by other LA:	0
	345
Band 4	
Lacking or sharing facilities:	50

Specialist accommodation for those with specific needs:	0
Overcrowded:	22
Armed forces and Reserve forces:	3
Intentionally homeless:	2
Sheltered and Extra Care:	17
Persons with connections to Rural Exception Sites and Community Land Trust sites:	2
	96
Band Open Market Register	
Market rented properties:	5
	5